

Report for: Delegated Decision Panel

Report to Director of Adult Social Services

Date: 22nd January 2015

Subject: REQUEST APPROVAL TO TAKE UP THE FIRST 12 MONTH EXTENSION OF AN EXISTING CONTRACT FRAMEWORK (FRAMEWORK FOR ASSISTIVE TECHNOLOGY EQUIPMENT) YORE-936L45(LCC28026) FOR LOT 1 AND 3 ONLY.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All Wards	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: A, B, C & E	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 The Leeds Community Equipment Service (LCES) operates under a Section 75 Health Act 2006, Partnership Agreement between Leeds City Council and NHS. Adult Social Care are the lead organisation in the partnership and deliver the service with Leeds Community Healthcare.
- 2 The service provides a range of equipment to meet daily living and nursing needs for disabled adults, older people and children. Equipment purchased by the Council, including that purchased through the pooled fund, is subject to procurement through Leeds City Council's procurement arrangements.
- 3 A framework agreement for the supply of assistive technology equipment for the LCES was awarded in April 2013 (see appendix A suppliers list). A framework agreement is an agreement with providers which sets out the terms and condition under which specific purchases (call-off) can be made throughout the term of the agreement.
- 4 Lot 1- 121 lines of high volume, generally lower value stock was awarded for two years with the option to extend for two further twelve month periods. The first extension period runs from 1st April 2015 until 31st March 2016.
- 5 Lot 2 - Specialist beds and mattresses was awarded for one year with the option to re-evaluate the equipment from the companies placed on the framework agreement annually

for three further twelve month periods. A separate report for lot 2 will be submitted to seek authorisation to undertake a secondary call for competition under the terms of the agreement.

- 6 Lot 3- the provision of any required items outside Lot 1 and 2 awarded for two years with the option to extend for two further twelve month periods. The first extension period runs from 1st April 2015 until 31st March 2016.

Recommendations

- 7 The Director of Adult Social Services is requested to approve the take up the first 12 month extension of an existing framework agreement (for assistive technology equipment) YORE-936I45 (LCC28026) for lot 1 and 3 only. The estimated annual value of extending lots 1 and 3 is ££608,512.00 based on 2012/13 figures. Provision is available within the agreed budget.
- 8 Implementation discussions will take place with the suppliers once the contract is awarded.
- 9 The proposed timescale for implementation is 1st April 2015 until 31st March 2016.
- 10 The Service Delivery Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation of Lot 1 and Lot 3 of the framework from the companies already listed.

1 Purpose of this report

- 1.1 The purpose of this report is to request the approval from the Director of Adult Social Services to extend the existing framework agreement with the existing providers for lots 1 and 3 only.
- 1.2 The current contract expires on 31st March 2015 but has provisions to extend this period by 2 x 12 months.

2.0 Background Information

- 2.1 The framework agreement is for the supply of assistive technology for daily living to LCES. The estimated contract value is approx. £886,000 per year based on 2012/13 expenditure. The framework was allocated into three "Lots". Within the framework Lot 1 and Lot 3 was awarded for two years with the option to extend for a further two twelve month periods. Lot 2 was awarded for twelve months with the option to re-evaluate the equipment from the companies listed on the framework on an annual basis for three further twelve month periods.
- 2.2 The NHS and the Council are the commissioning partners in the LCES Partnership Agreement under the Section 75 Health Act 2006 flexibilities. This agreement allows NHS organisations and local authorities to pool money they intend to spend, in this instance on the purchase of community equipment. Additionally the agreement allows one of the agencies to make all purchases from the pool on behalf of both partners. In Leeds the lead agency is the Council.
- 2.3 The estimated value of the contract is approx. £886,000.00 per annum. The same quantities used in the existing framework agreement will be used as a guideline for call off in this tender process.

- 2.4 As described in 2.1 above companies were invited to tender for three lots within the framework agreement;
- Lot 1 – Equipment for daily living, estimated value £608,512.00 based on 2012/13 figures. This was further broken down into ten categories, eg bathing equipment, mobility equipment and so on.
 - Lot 2 – Supply of beds and mattresses, estimated value £220,000.00 based on 2012/13 figures. This was broken into two categories, beds and standard mattresses and powered mattresses.
 - Lot 3 - Other items not covered in lot 1 and 2 which are infrequently ordered as one off in small quantities. The same ten categories as in lot 1 were applied.

3 Main issues

3.1 Contract Background

- 3.1.1 As the lead for the LCES Partnership Agreement the Council is responsible for all equipment purchases from the pooled fund on behalf of the partners. This means that some purchasing of equipment previously bought by the NHS using NHS purchasing arrangements comes under the Council's procurement rules.
- 3.1.2 A framework agreement for assistive technology equipment for the LCES was awarded in April 2013. A framework agreement is an agreement with providers which sets out the terms and condition under which specific purchases (call-off) can be made throughout the term of the agreement.
- 3.1.3 The advantage of using a framework agreement is that it reduces the number of procurements, and it standardises the documentation and processes.

3.2 Consequences if the proposed action is not approved

- 3.2.1 The service would have to purchase equipment from lot 1 and 3 "off contract". There would be no contract prices which would be very likely to result in higher costs for equipment.
- 3.2.2 The effect higher unit costs on the budget would have a direct impact on customer waiting times for equipment
- 3.2.3 The aim of the service to provide the right equipment quickly to enable people to live independent and inclusive lives would be compromised.

3.3 Advertising

- 3.3.1 The existing framework agreement was advertised in OJEU and the Council's tendering system YORtender. Therefore only the organisations appointed to lot 1 and 3 will be notified of the extension of the contract.

3.4 Implementation

- 3.4.1 The proposed timescale for implementation is 1st April 2015 until 31st March 2016.
- 3.4.2 The Service Delivery Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The procurement process to establish the framework agreement included officers from both Adult Social Care and Leeds Community Healthcare. Officers involved in the setting up of the contract were from the provider and assessment service. A service user from the user involvement group attends the regular equipment review group which considers the range and quality of products used by the service on a continual basis.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality Impact Assessment (EIA) screening tool has been undertaken for the purposes of this recommendation, and has indicated that an EIA does not need to be carried out. There will be no adverse effect on any particular groups of people within the city by the proposal. This is attached at Appendix 1

4.3 Council Policies and City Priorities

4.3.1 The service contributes to National Indicator 142: the percentage of vulnerable people supported to achieve independent living.

4.3.2 The service contributes to the City Priority Plan 2011 to 2015, Best City for health and wellbeing: Supporting more people to live safely in their own homes and give people choice and control over their health and social care services.

4.3.3 The service contributes to the Council Business plan 2011 to 2015, Adult Social Care Directorate Priorities and Performance Measures by ensuring more people with poor physical or mental health remain living at home longer.

4.3.4 The service supports adults whose circumstances make them vulnerable to live safe and independent lives.

4.3.5 The service provides easier access to joined-up health and social care services.

4.4 Resources and Value for Money

4.4.1 The purchase of new equipment from April 2015 will be within existing budgets.

4.4.2 Using the assistive technology framework agreement will ensure items of community equipment are purchased at best value rates. The service will be able to purchase equipment in a more timely method and plan the year's expenditure. Officer time will be saved by working to the framework agreement rather than obtaining competitive quotes for individual items and orders. Please note the contract prices have remained the same since the contract was awarded in 2013

4.5 Legal Implications, Access to Information and Call In

4.5.1 This decision is a key decision and as such is subject to call-in. The report does not contain any exempt or confidential information.

4.5.2 The terms of the framework agreement allow for it to be extended before its expiry date so long as it still delivers best value for money.

4.5.3 Although there is no overriding legal obstacle preventing the extension of this contract the contents of this report should be noted. In making their final decision, the Director of Adult

Social Services should be satisfied that the course of action chosen represents Best Value for the Council.

4.6 Risk Management

- 4.6.1 Without the framework agreement in place, the service would not be able to meet the demand for assistive technology equipment, and would have to rely on buying off contract and recycling used equipment. This would result in a waiting list for equipment and the service not being able to purchase up to date equipment particularly to meet the needs of customers with more individual and complex needs.

5 Conclusions

- 5.1 Agreeing to the extension of lots 1 and 3 of the framework agreement for assistive technology equipment will enable the LCES to continue to meet the demand for community equipment for the people of Leeds.

6 Recommendations

- 6.1 The Director of Adult Social Services is requested to approve the take up the first 12 month extension of an existing framework agreement (for assistive technology equipment) YORE-936145 (LCC28026) for lot 1 and 3 only. The estimated annual value of extending lots 1 and 3 is ££608,512.00 based on 2012/13 figures. Provision is available within the agreed budget.
- 6.2 Implementation discussions will take place with the suppliers once the contract is awarded.
- 6.3 The proposed timescale for implementation is 1st April 2015 until 31st March 2016.
- 6.4 The Service Delivery Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation of Lot 1 and Lot 3 of the framework from the companies already listed.

7 Background documents ¹

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.